



WISCONSIN ASSOCIATION OF HEALTH UNDERWRITERS

Wisconsin's Benefit Specialists

Assembly Committee on Insurance February 27, 2008

Assembly Bill 855

The members of the Wisconsin Association of Health Underwriters (WAHU) and National Association of Health Underwriters (NAHU) are comprised of insurance professionals involved in the sale and service of health benefits, long-term care benefits, and other related products, serving the insurance needs of over 100 million Americans. We have almost 18,000 members around the country and nearly 600 members here in Wisconsin. Our membership is primarily made up of insurance agents that work directly for and with the consumers of health care. Since our number one concern is our customers, we consider ourselves to be consumer advocates and look at how any legislation or regulation will affect these customers.

As the private market continues to develop more consumer driven health care plans, individuals are becoming better consumers of their own health care. As a responsible partner in the cost of care it is imperative that government provide the opportunity for private industry to develop tools allowing Wisconsin's citizens to be better informed consumers. AB 855 is such a tool. AB 855 empowers Wisconsin employers to request and receive data for catastrophic claims – exceeding \$10,000. This claims data is critical to employers' ability to seek competitive quotes from insurers. Making catastrophic claims more transparent benefits consumers by potentially helping to reduce premiums when a business negotiates new coverage.

Insurance companies are already required to provide, upon request of the policy holder, claims data of the entire group policy without specific reference to catastrophic data. AB 855 simply requires that when such a request for group claims data is made, catastrophic claims over \$10,000 are included. While some insurers may object to this additional piece, the majority of insurers we have talked to do not oppose this legislation.

Thank you Mr. Chairman for the opportunity to speak in support of Assembly Bill 855. WAHU believes this is good public policy and empowers employers with more transparency of their claims history which is needed to negotiate better premiums for Wisconsin employees. I would be happy to answer any questions you or Committee members may have at this time.